

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MIDAMERICAN ENERGY COMPANY	DOCKET NO. EEP-03-1
--	---------------------

ORDER APPROVING PARTIAL SETTLEMENT

(Issued May 5, 2003)

On April 2, 2003, MidAmerican Energy Company (MidAmerican) and the Consumer Advocate Division of the Department of Justice (Consumer Advocate) filed with the Utilities Board (Board) a partial settlement concerning the need for litigation of the avoided cost issue in MidAmerican's pending energy efficiency plan docket, identified as Docket No. EEP-03-1. The settlement states that MidAmerican and Consumer Advocate were unable to agree to the proper methodology in the calculation of annual avoided cost under 199 IAC 35.9(6) and 35.9(7), but that they agree the methodology need not and should not be litigated in the plan proceeding because MidAmerican and Consumer Advocate agree on the totality of the measures to be included in the plan. No objections to the partial settlement were filed.

The Board will approve partial settlement. While there are serious differences in MidAmerican's and Consumer Advocate's preferred methodologies of calculating avoided cost, these differences will not impact the nature or content of MidAmerican's energy efficiency plan. This issue may be litigated in future proceedings where

avoided cost methodology differences impact the nature or content of a utility's energy efficiency plan, but the Board sees no need to decide the issue in a plan proceeding where any decision the Board makes will have no impact on the plan.

IT IS THEREFORE ORDERED:

The partial settlement regarding litigation of the avoided cost issue filed by MidAmerican Energy Company and the Consumer Advocate Division of the Department of Justice on April 2, 2003, is approved.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 5th day of May, 2003.